

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF NORTH CAROLINA
CHARLOTTE DIVISION
DOCKET NO. 3:14-cv-00243-FDW-DCK

LIBERTY MUTUAL INSURANCE)
COMPANY,)
)
Plaintiff,)
)
vs.) ORDER
)
UTILIPATH, LLC et al.,)
)
Defendants.)

THIS MATTER is before the Court after three teleconferences held on December 19, 2014, December 23, 2014, and December 24, 2014. The Court hereby LIFTS any outstanding oral orders that were issued in any of the teleconferences and imposes the following order:

By 5:00 p.m. on Monday, December 29, 2014, Defendant Utilipath, LLC and Utilipath Power, LLC (“Corporate Defendants”) are hereby ordered to wire collateral in the amount of \$846,000.00 to Plaintiff Liberty Mutual in the care of Mr. William Sturges’ trust account.¹

If the above is not transferred by 5:00 p.m. on Monday, December 29, 2014, a self-executing alternative collateralization plan will be set into motion. This arrangement will not require further Court order and will be triggered by the Corporate Defendants’ failure to post the aforementioned collateral. The second arrangement requires each of the following male defendants – Baxter M. Hayes, II; Baxter McLindon Hayes, III; and Jarrod Tyson Hayes – to each wire \$266,000 to Plaintiff Liberty Mutual in the care of Mr. William Sturges’ trust account.

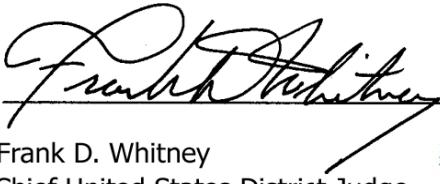
¹ The Court was informed on the December 24 teleconference of a \$1 million account held in escrow pursuant to a working capital agreement with Utilipath’s bank, Alostar Bank of Commerce. The Court assumes the collateral will be wired from this account.

Further, the Corporate Defendants must wire \$50,000 to Mr. Sturges' trust account. Such transfers must be effected by 5:00 p.m. on Tuesday, December 30, 2014.

If Mr. Sturges does not receive the collateral for Liberty Mutual by 5:00 p.m. on Monday, December 29, Mr. Sturges should file a notice informing the Court via CM/ECF that the alternative collateralization plan is in effect.

IT IS SO ORDERED.

Signed: December 24, 2014



Frank D. Whitney
Chief United States District Judge

